

South Carolina Retirement Systems



The Retirement Process

SCRS retirement eligibility

-requires 5 years of earned service

- **Normal retirement (unreduced benefits)**

- Age 65; or
- 28 years of service credit

- **Early retirement (reduced benefits)**

- Five years of earned service and age 60; or
- Age 55 or older with 25 years or more of service credit



PORS retirement eligibility

-requires 5 years of earned service

- 25 years of service credit regardless of age

OR

- Age 55 or older



Retirement payment options

- Option A: Retiree Only
- Option B: 100%-100% Joint Retiree-Survivor Monthly Annuity Plan (*non-spousal age restrictions apply*)
- Option C: 100%-50% Joint Retiree-Survivor Monthly Annuity Plan



Changing Payment Option after Retirement

- If all beneficiaries predecease the retiree, the annuity reverts to Option A effective on the date the last beneficiary died.
- If the retiree has a change in marital status, he may select a new payment plan within one year of the change in marital status. Change is effective the first of the month in which the form is received.



SCRS retirement application

■ Member submits:

- *Application for Service Retirement Benefits (SCRS) ([Form 6101S](#))*
- Driver's license or state issued ID card
- Copy of birth certificate and beneficiary's birth certificate if choosing a survivor option.
- *Pension Withholding Certificate/Automatic Deposit Authorization ([Form 7202](#))*

■ Employer submits:

- *Employer Certification of Last Day Paid ([Form 6201](#))*



PORS retirement application

■ Member submits:

- *Application for Service Retirement Benefits (PORS) ([Form 6101P](#))*
- Driver's license or state issued ID card
- Copy of birth certificate and beneficiary's birth certificate if choosing a survivor option.
- *Pension Withholding Certificate/Automatic Deposit Authorization ([Form 7202](#))*

■ Employer submits:

- *Employer Certification of Last Day Paid ([Form 6201](#))*



Retiree beneficiaries

- Retiree beneficiaries are designated on the retirement application.
 - Section II
 - Recipient for monthly survivor annuity or refund of contributions
 - Section III
 - Recipient for group life insurance



Retiree Trust beneficiaries

- If member wants to designate a trust as beneficiary:
 - Notice the box in Section II
 - See example in appendix of how to complete the retirement application properly for a trust beneficiary.
 - Member must also submit a *Certification of Trust* (Form 1113) with the application.



Service retirement process

- Member must be within six months of the date of retirement to submit retirement application.
- All service purchases must be paid in full prior to retirement date.
- Date of retirement cannot be more than 90 days retroactive from application date for deferred annuities.
- Retirement benefits are not automatic, members must submit a retirement application.



TERI program

- Available only to members of SCRS.
- Participants must meet any of the SCRS retirement criteria to be eligible.
- Maximum length of participation is 60 months.
- See *TERI Program Reminders* ([Form 6376](#)).



Ending TERI participation

- If an employee will be ending TERI Participation before his original scheduled date, simply call or e-mail our office to inform us of the early termination date.
- You or the employee can contact us with this information.
- The employee will then be mailed the *TERI Payout Election* (Form 7500) and *Pension Withholding Certificate/Automatic Deposit Authorization* (Form 7202).



Ending TERI participation

Employer forms 6210 and 7510

- **Post-July 1, 2005, TERI participants:**
 - You will be mailed Form **6210**. Notice it is on Form 6210 that you report the unused annual leave.
- **Pre-July 1, 2005, TERI participants:**
 - You will be mailed Form **7510**
- **These forms are mailed from the Retirement Systems no earlier than one month prior to the participant's termination date.**



Disability retirement

- Employee must be under age 65 (SCRS) or age 55 (PORS).
- Available only to members who have not yet retired.
- Five years earned service requirement is waived if disability is the result of an on the job injury.
- If a member has already met service retirement eligibility, the member may submit a service retirement application at the same time as the disability application. If approved for disability benefits, the annuity would revert to the higher amount.



Disability retirement

- The member **MUST** have his or her disability application in our office prior to terminating employment.
- A disability retiree can choose payment Option B without any beneficiary age restrictions.



Disability retirement application

- Forms completed by the member:
 - ❑ Form 6151S for SCRS, 6151P for PORS
 - ❑ Form 6251
 - ❑ Form 6255 (five required)
 - ❑ 7202
 - ❑ Form 6352, Page 1 (retiring members checklist)

- Forms completed by the employer:
 - ❑ 6201
 - ❑ 6253
 - ❑ 6254
 - ❑ Form 6352, Page 2 (employer checklist)



Disability review

- The disability review process can take approximately three months.
- A letter will be mailed to the member and the employer when a decision is reached.
- If the member's claim is denied, notification will be sent to the member via certified mail.



Disability appeals process

- Member has one year from the date the certified mail receipt was signed to file an administrative appeal.
- If the final agency determination upholds the denial, then the member has 30 days to appeal to the administrative law court.
- A member may appeal a decision of the administrative law court to the South Carolina Appellate Court.



Average final compensation

- A member's average final compensation (AFC) is the average of the 12 highest consecutive quarters of earnable compensation.
- See the PORS and SCRS annuity formulas in your Employer Manual.



Determining a member's monthly annuity

- Perform a benefit estimate for the member by logging into EES.
- Enter the member's SSN where indicated for READI.
- Click “Benefit Estimate” and follow the prompts.



Unused leave

- The payment for up to 45 days of unused annual leave, paid from the last employer, can be used to increase a member's AFC.
- Up to 90 days of unused sick leave from the last employer can be used to increase the member's service credit. See sick leave chart in appendix.



Reporting the unused leave

- See the *Certification of Final Retirement Deduction* (Forms 6202 and 6203) in appendix. Form 6202 is used for non-TERI retirees, and Form 6203 for TERI retirees.
- These forms are mailed to you from the Retirement Systems when a member submits a retirement application.
- Form 6203 for TERI retirees will have space to report only the unused sick leave, not annual leave.
- The payment for unused annual leave will be reported after the member terminates employment.



Forms 6202, 6203, and 6210

- Video demonstration on next three slides.



Form 6202

- [Click here for a video demonstration on Form 6202](#)



Form 6203

- [Click here for a video demonstration on Form 6203](#)



Form 6210

- [Click here for a video demonstration on Form 6210](#)





Returning to covered employment

Service retirees

- A service retiree may return to covered employment with no earnings limitation after a 15 calendar day separation from service.
- The separation from service requirement does not apply if the member is hired by a private employer.
- A member can use TERI participation to satisfy the 15-day separation from service requirement.
- However, there must be a severance of employment between the end of a member's TERI participation and the rehiring of the member.



Returning to covered employment

Disability retirees

- A disability retiree may return to covered employment at any time following termination.
- However, a disability retiree is subject to an earnings limitation equal to the difference between the adjusted AFC and amount of annual disability annuity he receives from the Retirement Systems.
- A disability retiree's earnings limitation is counted by the calendar year.
- Disability retirees receive a letter every February detailing the amount of the year's earnings limitation.
- See sample letter in appendix.



Returning to covered employment

Disability retirees

- An employed disability retiree whose earnings exceed the earnings limitation and who continued to receive retirement benefits will be required to reimburse the Systems for the benefits he was not entitled to receive.
- He will then be placed in a suspended status until January 1st, unless he terminates his employment.
- Upon termination, his disability retirement benefits may be re-instated and any overpayment will be collected.



Retiree returning to covered employment

- Complete Notification of Employed Retiree (form 1114, on website)
- See “What Retired Members Should Know About Returning to Work” in appendix and on website



Returning to Covered Employment: Working 48 continuous months

- If a retiree returns to covered employment and works 48 continuous months for a covered employer with an annual salary of at least 75 percent of the AFC used to calculate his or her retirement annuity, the retiree may again join the Retirement Systems.



Qualified Domestic Relations Order (*QDRO*)

- A court order that gives a former spouse the right to a portion of a member's retirement annuity.
- The QDRO outlines how to disburse the money in the event that the member retires, withdraws his contributions, or dies.
- A divorce decree is not a QDRO.
- Attorneys may view a model QDRO and QDRO guidelines on our Web site.



Summary quiz

- Can a member accrue more service credit after he retires?
- If a member is active in SCRS and PORS, can he retire in one system and continue working and accruing service credit in the other?



THE LANGUAGE USED IN THIS PRESENTATION DOES NOT CREATE ANY CONTRACTUAL RIGHTS OR ENTITLEMENTS AND DOES NOT CREATE A CONTRACT BETWEEN THE MEMBER AND THE SOUTH CAROLINA RETIREMENT SYSTEMS. THE SOUTH CAROLINA RETIREMENT SYSTEMS RESERVES THE RIGHT TO REVISE THE CONTENT OF THIS PRESENTATION.

This presentation is meant to serve as a guide but does not constitute a binding representation of the South Carolina Retirement Systems. The statutes governing the South Carolina Retirement Systems are found in Title 9 of the South Carolina Code of Laws, and should there be any conflict between this presentation and the statutes or Retirement Systems' policies, the statutes and policies will prevail.

Employers covered by the South Carolina Retirement Systems are not agents of the Retirement Systems.



Questions

